

# Washington College Procurement Policy

## **Philosophy**

The following guidelines have been established to assure fairness, efficiency, and effectiveness of procurement activities associated with the operations of Washington College.

Washington College procurements should be conducted in support of the mission and goals of the college in a manner that assures that goods and services provide the best value for the expenditure of college resources.

## **Socio-Economic Statement**

Washington College reaffirms its support for disadvantaged businesses whose socio-economic characteristics may require such support and include minority and women owned businesses, small businesses and environmentally conscious firms. Organizations with such characteristics are encouraged to contact the Business Office for an introduction to Washington College's procurement structure and obtain pertinent materials.

## **Organization:**

Washington College has a decentralized procurement system in which the College's Business Office assists all authorized budget managers in overseeing purchases for the college. Certain procurements, however, are the responsibility of specific college units; (e.g. construction, Building and Grounds, College Relations). For other procurements, each senior staff member is responsible for the procurement process but may delegate one or more employees (the Dept Budget Managers) day to day responsibility for assuring that all goods and services are provided, in a working and/or acceptable manner, at a purchase price that is competitive in the open market and that meets standard technical specifications generally accepted in the applicable field.

## **Purchase Orders**

Generally purchase of all capital goods and services and non-capital goods and services of \$5,000 or more require an official purchase order prior to making any commitment to a vendor. Purchase orders give the vendor official notification that the college has committed financial resources towards the purchase and may be required by the vendor. Internally, purchase orders allow the college to assure the proper procurement policies have been satisfied, the necessary approvals have been obtained and sufficient operating funds exist prior to making a commitment to a vendor.

In addition to purchase orders less than \$5,000, purchase orders are not required for travel and entertainment expenses over \$5,000 that cannot be pre-paid and are incurred off campus.

## **Procurements**

The competitive procurement of goods and services is the preferred method of procurement. There are, however, instances in which competitive procurement may not be required.

### *Emergency Procurements*

To ensure the operations of the essential services during non-business hours, authorized budget managers may proceed with necessary expenditures to maintain or restore essential services to the college without seeking a purchase order prior to a commitment to a vendor. The Budget Manager should make all reasonable attempts to obtain a purchase price that is competitive in the open market and that meets standard technical specifications generally acceptable in the applicable field. At the next reasonable opportunity, the Budget Manger should submit the standard paperwork for approval explaining the emergency and related essential services that precluded the use of the normal purchasing procedures.

### *Sole Source Procurements*

Purchases of \$5,000 or more may be made, without a competitive process, with the prior written approval or appropriate senior staff, when there is a single viable source of the good or services ( e.g. Town of Chestertown water, a guest lecturer), compatibility with existing equipment or processes, or similar circumstances. Written documentation should be maintained in the unit's procurement files providing the justification for the sole source selection.

### *Procurements using Federal Funds*

Purchases made using federal grant funds must be vetted by the PI through [www.epls.gov](http://www.epls.gov) to determine if a vendor has been suspended or debarred. Any vendor suspended or debarred may not be used under any circumstances.

## **Competitive Procurements**

### *Purchases less than \$5,000*

The purchase of goods and/or services (other than capital goods) from a single vendor for a single project or event which, cumulatively, amount to less than \$5,000 do not require comparative quotes from multiple vendors and do not require a purchase order unless the vendor requires it. Securing a price comparison, however, is strongly encouraged when beneficial to the college.

The authorized Budget Manager can approve such purchases to the extent they are routine and they can be funded by the department's remaining operating budget.

It is strongly urged that the credit card be used for these purchases (other than services) whenever possible.

### *Purchases in excess of \$5,000 but less than \$25,000*

The purchase of goods and/or services (other than capital goods) from a single vendor for a single project or event which, cumulatively, amount to \$5,000 or more but less than \$25,000 generally requires obtaining comparative quotes or pricing, written or verbal, from at least two

vendors, if multiple sources of pricing are available. If pricing from more than two vendors is readily available, additional comparisons should be sought, if reasonable.

*Purchases of \$25,000 or more*

The purchase of goods and/or services (other than capital) from a single vendor or for a single project or event which, cumulatively, amount to \$25,000 require an official request for proposal/bid process prior to making a commitment to a vendor. As in the case of purchases under \$25,000, if pricing from two vendors is not feasible or if goods or services is only available from a single source because it is unique, product/service compatibility with existing equipment or processes, or similar circumstance, the procurement file should include a written statement why competitive quotes were not solicited.

If using the WC Corporate Visa card, the normal request for proposal/bid process must be followed;

*Capital Purchases*

Purchases of capital goods and services follow the same guidelines as non capital goods; however, a Washington College requisition must be properly completed and authorized before the purchase is made.

Employees should be specifically familiar with the OIT Technology Purchasing Policy located at <http://oit.washcoll.edu/techpurchasing.php> prior to making **any** technology or technology related purchases, capital or non-capital.

**Procurement Approvals**

The college requires each purchase be approved by the appropriate authority level. This policy applies to all employees who initiate or approve a purchase for the college.

Purchases less the \$5,000- Non Capital Goods- Departmental Budget Manager  
Purchases of \$5,000 or more- Non Capital Goods- Budget Director and appropriate Senior Staff  
Purchases of Capital Goods- Departmental Budget Managers, Budget Director and Vice President for Finance & Administration.

**Information Privacy**

As a privately operated institution, Washington College is not required to publish publicly or announce any vendor pricing or information, or the results of a competitive bidding process. Employees are asked to keep all specific information relative to College procurement activities confidential.

**Discounts**

Discounts to the college are to be utilized whenever available and should be considered in the final pricing of a vendor. All college employees should inquire about discounts even if such discounts are not advertised.

### **Tax Exempt Organization**

Washington College is a tax exempt organization in the State of Maryland. Employees will not be reimbursed for business related sales tax expense incurred within the State of Maryland. A copy of the College's State of Maryland tax exempt certificate, is available from the Business Office and at <http://businessoffice.washcoll.edu/downloaddocuments.php> Log in to secure downloads. Any other state tax exemption certificates will also be located here.

### **Unauthorized Procurements**

Employees who make unauthorized commitments to vendors may be subject to disciplinary actions including but not limited to reimbursement to the college, demotion, suspension and/or termination.

### **Conflict of Interest**

Employees must avoid actual or apparent conflicts of interest, defined as using their position at the college for personal or financial gain, accepting employment or payment from a customer or vendor, accepting gifts other than those of nominal value, and/or requesting personal favors, discounts, or services.

### **Donations or Gifts**

As a non-profit organization Washington College does not give donations or gifts to other organizations or individuals. The College may provide financial resources to organizations that provide services to the college on a voluntary basis (e.g. Kent County Fire and Rescue Squad, Chestertown Volunteer Fire Department), if deemed vital to the operation of the college and approved by the President. Additionally, clubs of the College may designate donations on behalf of their fund raising efforts to support other non-profit organizations.

### **Improper Procurement Activities**

Employees who believe that a college vendor or a vendor's employee has acted in an unethical manner should report such activity to the Vice President for Finance and Administration or the Chief of Staff.

Individuals, including vendors and college employees, who view the procurement activities of any college employee to be unethical or contrary to college policies, should report such activities to the Vice President for Finance and Administration or the Chief of Staff

College employees who have been ask by a supervisor or fellow employee to conduct procurement activities deemed unethical or contrary to college policies should report such activities to the Vice President of Finance and Administration or the Chief of Staff.

No employee should experience any retaliation by his or her supervisor or by any other employee at the college for contributing information about improper procurement activities.

### **Payment Distribution**

Checks will generally be mailed via campus mail on the Friday following the week your request is received. However, due to the volume of requests, this one-week turnaround is not automatically guaranteed. Please allow the Business Office staff as much lead time as possible.

If you have an immediate request that is time critical, please contact the Accounts Payable office personnel directly regarding the request.

All checks to outside vendors are mailed directly from the Business Office, unless there is a genuine need for special handling. This is done to facilitate tracking payments and responding to vendor inquiries. Reimbursement checks to employees are mailed on Friday via campus mail. Student reimbursement checks are placed in student mailboxes unless otherwise directed.

The process as indicated above is necessary in order to maintain the integrity of our accounting system and allow us to maintain a reasonable workflow.